

REMARKS

Claim Rejections – 35 USC § 102

Claims 1 and 3

The Examiner rejects Claims 1 and 3 under 35 USC §102(e) as being anticipated by Eldering (US Pat No 6,324,519).

In regard to Claim 1, the Examiner states in relevant part, "The claimed steps of 'selection means for consumers to select and schedule...' is met by Figure 1A, Items 100 and 130. The selection means is inherent to the reference." (emphasis added) However, according to MPEP 2112, part IV, examiner must provide rationale or evidence tending to show inherency.

Further, "In relying upon the theory of inherency, the Examiner must provide a basis in fact and/or technical reasoning to reasonably support the determination that the allegedly inherent characteristic necessarily flows from the teachings of the applied prior art." *Ex parte Levy*, 17 USPQ2d 1461, 1464 (Bd. Pat. App. & Inter. 1990) (emphasis in original)

Applicant submits that no rationale, evidence, basis in fact or technical reasoning has been provided to support the Examiner's assertion of inherency. In fact, the "selection means" of applicant's claim 1, support for which is found in part at page 1, line 21 through page 2, line 21 and page 11, line 6 through line 11, does not exist in Eldering.

The Examiner states in relevant part, "The claimed step of 'Automatic Control System means responsive to the record keeping means for setting prices for allocated advertising slots based on said consumer demand...' is met by Figure 1A, Items 160, 144, and 100. ... '(quoting Eldering) the price charged... varies as a function of the applicability of the advertisement to the consumer 100' (Col 3, Lines 57-62). Where the applicability of the advertisement is equivalent to the consumer demand."

Applicant submits that the Examiner's statement, "applicability of the advertisement is equivalent to the consumer demand", is incorrect. Eldering ("applicability of the advertisement") collects consumer profiles for each consumer ID

and states that his "invention provides a means for the auctioning of advertisement opportunities based on the correlation of an advertisement with a consumer profile."

(Col 1, Lines 37-39) In Eldering a high correlation or applicability applies to the relationship between the specific subject matter of an advertisement and the specific interests of a single consumer as represented by their consumer profile.

In contrast, applicant ("consumer demand") provides that "a record keeping means stores all data in the integrated database (100) and used later for providing sponsors with statistics of consumer demand for said audio or multimedia content" (page 10, line 25-27). Applicant's system relies on statistics derived from an ensemble of consumers. Therefore, (as set forth in Claim 1) applicant's "Automatic Control System means responsive to the record keeping means for setting prices allocated for advertising slots based on said consumer demand..." does not read on Eldering.

In regard to Claim 3, "a time period of consumer demand" as specified in the claim is a different concept from recording the time a particular subscriber spends on each of several channels as specified in examiner's example from Eldering. Consumer demand in a time period is statistically derived information for a population of consumers. A subscriber profile refers to the activities of a single subscriber. Therefore, Claims 1 and 3 are not anticipated and are believed allowable over Eldering.

Claim Rejections – 35 USC § 103

Claims 2 and 4

The Examiner rejects Claims 2 and 4 under 35 USC §103(a) as being unpatentable over Eldering in view of Mackintosh (US Pat No 6,349,329).

In order to establish a prima facie case of obviousness three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. (MPEP 2143)

The Examiner has not established a *prima facie* case of obviousness for at least the following reasons:

- a. There is no suggestion or motivation, either in Eldering, Mackintosh or in the knowledge generally available to one of ordinary skill in the art, to modify the Eldering or to combine the teachings of Eldering and Mackintosh.
- b. As established above in the discussion of Claim 1, from which Claim 2 depends, Eldering and Mackintosh do not teach or suggest all the claim limitations.

In regard to Claim 4, the Examiner again misconstrues "applicability of the advertisement [to be] equivalent to the consumer demand." Applicant submits that this is incorrect for at least the reasons stated above and that the Examiner therefore fails to make a case of *prima facie* obviousness for at least the reasons stated above.

Claims 5 and 6

The Examiner rejects Claims 5 and 6 under 35 USC §103(a) as being unpatentable over Eldering.

The Examiner has substantially repeated his arguments for rejection of Claims 1 and 3 in the rejection of Claims 5 and 6. Hence, applicant respectfully submits that Claims 5 and 6 distinguish and are believed patentable over Eldering for at least all of the reasons given above with respect to Claims 1 and 3.

The Examiner provides no support for his statement that "it is notoriously well know[n] in the art to format the multimedia content into standard streams." Furthermore, what may be well known in the art now has no bearing on what was known in the art at the time the application was filed.

Conclusion

We thank the Examiner for his thorough Office Action, and submit that the foregoing remarks and explanation justify reconsideration and withdrawal of the rejections of claims 1 – 6. Accordingly, the application is now believed in condition for allowance and such a Notice is respectfully requested.

If necessary, the Commissioner is hereby authorized to charge payment or credit any overpayment to Deposit Account No. 501866 for any fees required.

Sincerely,



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